



# LEGISLATIVE ANALYSIS

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## Comparison: The United States Innovation and Competition Act and the America COMPETES Act of 2022

*Last updated February 1, 2022*

On April 20, 2021, Senate Majority Leader Chuck Schumer introduced the United States Innovation and Competition Act ([USICA](#)). It passed the full Senate in June 2021, by a 68-32 vote. On January 25, 2022, the House unveiled the America Creating Opportunities for Manufacturing, Pre-Eminence in Technology and Economic Strength Act of 2022 (American COMPETES Act of 2022 - or [COMPETES](#)). The chart below breaks down some key similarities and disparities between the two pieces of legislation.

Policy Area/Committee	USICA	COMPETES
<b>Semiconductors (CHIPS)</b>	<ul style="list-style-type: none"><li>• \$52 billion for semiconductor manufacturing in the U.S. and address supply chain disruptions including:<ul style="list-style-type: none"><li>○ \$49.5 billion over five years to support semiconductor incentive and research and development programs</li><li>○ \$2 billion for providing support for research &amp; development, testing and evaluation, and workforce development</li><li>○ \$500 million to support</li></ul></li></ul>	<ul style="list-style-type: none"><li>• \$52 billion for semiconductor manufacturing in the U.S. and to address supply chain disruptions</li><li>• Creates the National Semiconductor Technology Center to expand semiconductor manufacturing and research &amp; development</li><li>• Invests \$2 billion in the production of automobiles, consumer electronics, and defense systems</li></ul>

	<p>international technology security and semiconductor supply chain activities</p> <ul style="list-style-type: none"> <li>• Creates the National Semiconductor Technology Center, to expand semiconductor manufacturing and research &amp; development</li> </ul>	
<p><b>Research and Innovation</b></p>	<ul style="list-style-type: none"> <li>• \$9.57 billion for FY2022-FY2026 for university technology centers and innovation institutes to conduct research relevant to the key technology focus areas</li> <li>• \$1.5 billion for the Public Wireless Supply Chain Innovation Fund to spur technologies in the U.S. mobile broadband market</li> <li>• \$5.22 billion for FY2022-FY 2026 for STEM education and workforce development in the key technology focus areas</li> <li>• \$4.35 billion for FY2022-FY 2026 for research &amp; development awards for key technology focus areas</li> <li>• \$81 billion for the National Science Foundation for FY2022-FY2026</li> <li>• \$16.9 billion for the</li> </ul>	<ul style="list-style-type: none"> <li>• Invests in climate change by supporting research on energy storage, solar, hydrogen, critical materials, fusion energy, manufacturing, carbon removal, bioenergy technologies, and other areas</li> <li>• Supports research in quantum information science, artificial intelligence, cybersecurity, privacy, engineering biology, advanced communications technologies, semiconductors, and more</li> <li>• Supports agency activities for software supply chain security to address cyberattacks</li> <li>• Invests in studies at the National Institute of Standards and Technology (NIST) on biometric identification systems, such as facial recognition, to help identify</li> </ul>

	<p>Department of Energy for FY2022-FY2026 for research &amp; development and energy-related supply chain activities</p>	<p>and mitigate bias in such systems</p> <ul style="list-style-type: none"> <li>● Expand NIST’s greenhouse gas activities to help governments and organizations accurately measure emissions at a local level</li> <li>● Funding to help NIST address its large construction and maintenance backlog</li> <li>● Establishes the Directorate for Science and Engineering Solutions at the National Science Foundation to oversee new research &amp; development, address climate change and sustainability, global competitiveness, cybersecurity, national security, and STEM education</li> <li>● Establishes a new initiative to support pre-K-12 STEM education</li> <li>● Improves intersection between undergraduate STEM education and training with workforce needs</li> <li>● Expands requirement for funding proposals to include a mentoring plan for graduate students and supports activities to help graduate students explore workforce opportunities in STEM fields</li> </ul>
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<p><b>Energy &amp; Commerce</b></p>	<ul style="list-style-type: none"> <li>● \$10 billion for FY2022-FY2026 for a regional tech hub program at the Department of Commerce focused on building regional innovation capacity</li> <li>● \$1.2 billion for FY2022-FY2026 for the Manufacturing USA Program</li> <li>● \$2.4 billion for FY2022-FY2026 for the Manufacturing Extension Partnership program</li> <li>● \$50 million for FY2022-FY2026 to create an Office of Manufacturing and Industrial Innovation Policy within the White House</li> <li>● Codifies the Made in America Office to oversee and enforce compliance with domestic preference statutes, including the Buy American Act</li> </ul>	<ul style="list-style-type: none"> <li>● Establishes a new office at the Department of Commerce to strengthen supply chains by: <ul style="list-style-type: none"> <li>○ monitoring supply chains</li> <li>○ supporting the availability of critical goods to prevent shortages</li> <li>○ preparing for and responding to supply chain shocks</li> <li>○ reducing reliance on critical goods from other countries and encourage the relocation of manufacturing facilities out of these countries</li> <li>○ support the creation of jobs with competitive wages, preserving existing collective bargaining agreements and supporting union organizing efforts</li> </ul> </li> <li>● \$45 billion for grants, loans, and loan guarantees to support supply chain resilience and manufacturing of critical goods, industrial equipment, and technology</li> <li>● \$500 million to the Office for Supply Chain Mapping and</li> </ul>
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		<p>Monitoring</p> <ul style="list-style-type: none"> <li>• Authorizes \$3 billion for domestic solar manufacturing</li> <li>• Authorizes \$375 million to establish a Strategic Transformer Reserve to reduce the vulnerability of the electric grid and develop testing and monitoring of critical electric grid equipment</li> <li>• \$1.5 billion to enhance the medical supply chain and maintain domestic reserves of critical medical supplies</li> <li>• \$10.5 billion for a program that awards grants to states to expand or maintain a strategic stockpile of commercially available drugs, medical equipment, PPE, and other products deemed by the state to be essential in the event of a public health emergency</li> </ul>
<p><b>Foreign Affairs</b></p>	<ul style="list-style-type: none"> <li>• \$75 million over five years for a State Department program that allows U.S. embassies to hire contractors to assist U.S. persons and businesses with supply chain management issues related to China. These funds cannot be appropriated to entities under control or influence of China</li> </ul>	<ul style="list-style-type: none"> <li>• Authorizes \$90 million over six years to the State Department to hire contractors to assist U.S. persons and businesses with supply chain issues related to China</li> <li>• Authorizes \$375 million for the Infrastructure Transaction and Assistance Network to advance the development of</li> </ul>

	<ul style="list-style-type: none"> <li>● Encourage the U.S. to adopt standards for quality global infrastructure development advanced by the G20 in 2018</li> <li>● \$375 million over five years for the Infrastructure Transaction and Assistance Network to promote quality infrastructure through technical assistance and capacity-building programs in the Indo-Pacific. Includes \$100 million for the Transaction Advisory Fund and \$275 million for a Strategic Infrastructure Fund</li> <li>● Directs the President to address predatory lending and financing by China in the energy sectors of developing countries</li> <li>● Directs the Secretary of State to develop a strategy to increase U.S. exports of advanced energy technologies</li> <li>● Requires a report from USAID on China's investments in foreign energy development</li> <li>● \$500 million over five years for the Secretary of State to create the Digital Connectivity and Cybersecurity Partnership to help countries expand and increase secure internet access</li> </ul>	<p>sustainable, transparent, and high-quality infrastructure</p> <ul style="list-style-type: none"> <li>● Directs the President to develop a strategy utilizing federal agencies and resources to counteract Chinese assistance and financing to foreign governments</li> <li>● \$4 million over four years to allow the Secretary of State to enter negotiations with Japan, Australia, and India and establish a Quad Intra-Parliamentary Working Group</li> <li>● Statement of policy reiterating U.S. commitment to Taiwan and recognizing Taiwan as a vital part of U.S. efforts to maintain peace and stability in the Indo-Pacific and deter military acts</li> <li>● Authorizes \$2 billion under the Foreign Assistance Act for the Indo-Pacific region and \$1.25 billion for diplomatic engagement</li> <li>● Authorizes \$500 million for the United States Agency for Global Media to support local media, build independent media, combat disinformation inside and outside of China,</li> </ul>
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	<ul style="list-style-type: none"> <li>● \$1.5 billion over five years to the Countering Chinese Influence Fund to counter the influence of the Chinese Communist Party globally</li> <li>● \$105 million over five years to promote international and foreign language education through the Fulbright-Hays Program</li> <li>● Condemns anti-Asian racism and discrimination</li> <li>● \$500 million over five years for various U.S. Agency for Global Media programs to support independent journalism, counter disinformation, expand media access to U.S. culture and values, ensure credible news coverage of the Chinese government's actions in Xinjiang, and other areas</li> <li>● \$850 million over five years to support freedom of press, training, and protection of journalists</li> <li>● \$150 million in FY2022 for the Global Engagement Center to counter foreign state and non-state propaganda and disinformation</li> <li>● Allows the Committee on Foreign Investment in the United States to review foreign</li> </ul>	<p>invest in technology to subvert censorship, and monitor and evaluate these programs</p> <ul style="list-style-type: none"> <li>● Directs the president to submit a report on the origins of COVID-19</li> <li>● \$225 million over five years for State Department international military education and training</li> <li>● Condemns the use of force to impede freedom of navigation in the Indo-Pacific and presents a statement of policy with respect to China's claims in the South China Sea</li> <li>● \$10 million for the State Department's Bureau of Democracy, Human Rights, and Labor to promote democracy in Hong Kong</li> <li>● Provides temporary protected status and refugee status for qualifying Hong Kong residents for the 18-month period after enactment</li> <li>● Condemn the ongoing atrocities in Xinjiang against Uyghurs</li> <li>● Amend the Global Magnitsky Human Rights Accountability Act to express the sense of Congress that the President should establish and</li> </ul>
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	<p>gifts to and contracts with institutions of higher education that exceed \$1,000,000 in a single year or aggregate gifts or contracts from the same foreign source of a value over \$1 million during a two-year period</p> <ul style="list-style-type: none"> <li>● Work with allies to prioritize human rights in the Indo-Pacific</li> <li>● Directs the Secretary of State to enter into negotiations with Japan, Australia, and India to establish a Quad Intra-Parliamentary Working Group and authorized \$4 million from FY2022-FY2025 to represent the U.S at the working group</li> <li>● Enhance cooperation with ASEAN</li> <li>● Requires the Secretary of State and the Director of National Intelligence to submit a report on China's influence at international organizations</li> <li>● Shares findings on the importance of sanctions as a tool to advance U.S. interests and expresses the Sense of Congress that the executive branch has not fully</li> </ul>	<p>regularize information sharing and sanctions-related decision making with like-minded governments with human rights and anti-corruption sanctions programs</p> <ul style="list-style-type: none"> <li>● Amends the Uyghur Human Rights Policy Act of 2020 to impose sanctions based on systematic rape, coercive abortion, forced sterilization, or involuntary contraception in Xinjiang</li> <li>● Express the sense of Congress that the U.S. and China must work together to mitigate greenhouse gas emissions, develop and deploy clean energy technologies, and integrate sustainability</li> <li>● \$4 billion in FY2022 and an additional \$4 billion in FY2023 to contribute to the Green Climate Fund, which will assist developing countries with mitigating and adapting to climate change</li> </ul>
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	<p>implemented certain sanctions</p> <ul style="list-style-type: none"><li>● Reaffirms U.S. commitment to Taiwan and recognizes that Taiwan is a vital part of the U.S. Indo-Pacific strategy</li><li>● Specifies that the U.S. shall engage with the democratically elected government of Taiwan as the legitimate representative of the people of Taiwan</li><li>● End the practice of referring to the government in Taiwan as the “Taiwan authorities”</li><li>● Requires a report on the origins of COVID-19</li><li>● \$10 million in FY2022 to allow the Secretary of State and Secretary of Commerce to hire Locally Employed Staff to enhance diplomatic and economic engagement in Pacific Island countries</li><li>● \$2 billion to advance U.S. interests in the Indo-Pacific</li><li>● Deter use of force against Taiwan by China</li><li>● \$655 million over five years in foreign military financing activities in the Indo-Pacific<ul style="list-style-type: none"><li>○ \$50 million for support of the Southeast Asia Maritime Law</li></ul></li></ul>	
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	<ul style="list-style-type: none"><li>○ Enforcement Initiative<ul style="list-style-type: none"><li>○ \$5 million for diplomatic outreach</li></ul></li><li>● \$40 million over two years for the Secretary of State to create the Foreign Military Financing Compact Pilot Program</li><li>● \$225 million over five years for State Department international military education and training assistance in the Indo-Pacific region</li><li>● \$10 million for the State Department's Bureau of Democracy, Human Rights, and Labor to promote democracy in Hong Kong</li><li>● Impose sanctions relating to forced labor in the Xinjiang Uyghur Autonomous Region as well as sanctions with respect to systematic rape, coercive abortion, forced sterilization, or involuntary contraception</li><li>● Requires the President to appoint a Special Coordinator for Tibetan Issues</li><li>● \$10 million to the Open Technology Fund and \$20 million to the Office of Internet Freedom Programs in the</li></ul>	
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	Bureau of Democracy, Human Rights, and Labor of the Department of State for internet freedom in Hong Kong	
<b>Oversight</b>	<ul style="list-style-type: none"> <li>• The director of OMB is required to ensure that federal contracts for AI systems address privacy, civil rights, civil liberties, and the security and of government information</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen oversight on the use of Artificial Intelligence (AI) by giving the Privacy and Civil Liberties Oversight Board access to the AI-enabled programs at federal agencies, while ensuring that the rights of Americans are protected.</li> <li>• Improve the federal government's ability to respond to cyberattacks by having cybersecurity professionals at federal agencies</li> </ul>
<b>Homeland Security</b>	<ul style="list-style-type: none"> <li>• Requires regular National Risk Assessments</li> <li>• Creates a Cyber Response and Recovery Fund</li> <li>• Blocks the purchase of drones manufactured and sold by companies backed by the Chinese government</li> <li>• Prohibits the social media app TikTok from being downloaded onto government devices</li> <li>• DHS has the authority to</li> </ul>	<ul style="list-style-type: none"> <li>• Directs the Secretary of Homeland Security to improve cybersecurity by issuing guidance for contractors</li> <li>• Prohibits the Secretary of Homeland Security from operating, procuring, or providing financial assistance for an unmanned aircraft system that is (1) manufactured in a foreign country, (2) uses devices manufactured in a foreign</li> </ul>

	<p>transfer PPE to HHS during a public health emergency and if HHS requests PPE</p> <ul style="list-style-type: none"> <li>• Requires DHS to maintain inventory of PPE</li> </ul>	<p>country, (3) uses a ground control systems or operating software developed in a foreign country, or (4) uses network connectivity or data storage located in a foreign country</p> <ul style="list-style-type: none"> <li>• Prohibits the use of technologies if they are manufactured, developed, or administered by a corporation domiciled in a foreign country</li> </ul>
<p><b>Financial Services</b></p>	<ul style="list-style-type: none"> <li>• Includes recommendations for the use of the Defense Production Act to reduce U.S. reliance on China for industrial resources, materials, and critical technology essential to the national defense</li> <li>• Agencies that purchase PPE (DHS, HHS, and VA) must ensure that any contracts those agencies issue for PPE are at least two years in length. Contracts must state that PPE must be manufactured in the U.S.</li> </ul>	<ul style="list-style-type: none"> <li>• Uses U.S. presence at the World Bank and Asian Development Bank to vote against assistance to China, unless there is evidence that China or Chinese controlled lenders participate in debt relief initiatives on terms comparable to other G-20 governments, and that such assistance contributes significantly to the provision of a global public good that serves the national interest of the United States</li> <li>• Update the Holding Foreign Company Accountable Act to ensure that foreign companies issuing public securities in the U.S., make available their audit books for U.S. inspection</li> </ul>

		<ul style="list-style-type: none"><li>• Directs the Treasury Department's Office of Terrorism and Financial Intelligence to brief Congress on China's economic, commercial, and financial connections to Afghanistan, which may fuel illicit financial networks involved in narcotics trafficking, corruption, natural resource exploitation, and terrorism</li><li>• Requires the Treasury Department to send a report to Congress which outlines risks to the U.S. and global economy from China and provide recommendations</li><li>• Directs the Treasury Department to work with U.S. representatives at the International Monetary Fund and the World Bank to engage with the global financial community to ease the debt burden of many developing countries</li><li>• Provides the President flexibility to use the Defense Production Act to ensure the availability of medical resources</li><li>• Streamlines engagement between federal, state, and</li></ul>
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		local governments, and private and tribal governments to ensure accessibility to PPE
<b>Natural Resources</b>	<ul style="list-style-type: none"> <li>• \$100 million annually from FY2022-FY2024 for the development of critical minerals and metals in the US</li> </ul>	<ul style="list-style-type: none"> <li>• Amends the Lacey Act to allow for a three-year emergency ban on importing wildlife that poses a threat to public health</li> </ul>
<b>Judiciary</b>	<ul style="list-style-type: none"> <li>• \$252 million for the Antitrust Division of the Department of Justice for FY2022</li> <li>• \$418 million for the Federal Trade Commission for FY2022</li> <li>• Modernizes merger filing fees by reducing the burden on smaller merger transactions and increasing fee levels for multi-billion dollar transactions, generating significant fee revenue for antitrust enforcement</li> </ul>	<ul style="list-style-type: none"> <li>• Updates filing fees for mergers to ensure that the Department of Justice and Federal Trade Commission have the resources needed to enforce antitrust law</li> <li>• Authorize \$252,000,000 to be appropriated for the Antitrust Division of the Department of Justice and authorize \$418,000,000 to be appropriated for the Federal Trade Commission for FY2022</li> <li>• Amends the Immigration and Nationality Act to create a new classification of “W” nonimmigrants: <ul style="list-style-type: none"> <li>○ W-1: Entrepreneurs with an ownership in a start-up</li> <li>○ W-2 Essential employees of a start-up</li> <li>○ W-3: Spouses and children of W-1 and W-2</li> </ul> </li> </ul>

		nonimmigrants
<b>Education &amp; Labor</b>	<ul style="list-style-type: none"> <li>● \$150 million per year from FY2022-FY2026 for an intensive capacity building program for minority serving institutions</li> <li>● \$25 million from FY2022-FY2026 to establish a grant program for hands on learning opportunities in STEM education</li> <li>● \$100 million from FY2022-FY2027 to create a grant program for telecom workforce training at the Office of Minority Broadband Initiatives <ul style="list-style-type: none"> <li>○ At least 30 percent of grant funding for historically Black colleges and universities</li> <li>○ At least 30 percent of grant funding for tribal colleges and universities</li> </ul> </li> <li>● \$100 million from FY2022-FY2026 to establish a five-year program to create a National Science Corps</li> </ul>	<ul style="list-style-type: none"> <li>● Includes the National Apprenticeship Act of 2022 which will create 1 million apprenticeship opportunities over the next five years. 94% of apprenticeships go on to receive full-time jobs with average salary of \$70,000</li> <li>● Creates a new grant program operated by the Department of Education that supports equitable access to postsecondary STEM pathways</li> <li>● Requires the Department of Education, and the National Academies of Science, Engineering, and Medicine to review Confucius Institutes to ensure they protect academic freedom</li> <li>● Amends Section 117 of the Higher Education Act to address foreign gifts and contracts received by higher education institutions that total more than \$100,000 in any given year and \$250,000 in three years</li> </ul>
<b>Trade</b>	<ul style="list-style-type: none"> <li>● Requires qualifying online sellers offering products to</li> </ul>	<ul style="list-style-type: none"> <li>● Includes the Trade Adjustment Assistance</li> </ul>

	<p>include the country-of-origin in the website description of the product</p>	<p>Modernization Act (TAA), which ensures that benefits reach the most severely affected communities and also addresses racial disparities and inequities in our economy</p> <ul style="list-style-type: none"><li>● TAA also:<ul style="list-style-type: none"><li>○ Increases funding to \$1 billion a year</li><li>○ Increases allowances for job search and relocations to \$2,000</li><li>○ Establishes a \$2,000 childcare allowance</li><li>○ \$2 billion for community colleges</li></ul></li><li>● Amends U.S. international trade import laws to stop non-market economies from exploiting the threshold that allows imports valued under \$800 to come into the U.S. without paying duties, taxes, or fees</li><li>● Includes the National Critical Capabilities Defense Act which will protect U.S. supply chains</li><li>● Includes the Level the Playing Field Act 2.0, which limits China's ability to escape U.S. trade remedies and U.S. laws</li></ul>
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<b>Transportation &amp; Infrastructure</b>	No similar provisions	<ul style="list-style-type: none"> <li>• Authorizes \$4 billion to establish the RECOMPETE grant program at the Economic Development Administration</li> </ul>
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Source: [America COMPETES Act of 2022](#); [The United States Innovation and Competition Act of 2021](#)

The United States and much of the world continues to grapple with supply chain disruptions. Both the America COMPETES Act and the United States Innovation and Competition Act seek to address this and other manufacturing concerns, albeit in somewhat different ways. Some of the key differences center on trade, financial services, and foreign affairs. There are a few similarities as well.

### Semiconductors and Supply Chains

Both USICA and COMPETES acknowledge the meaningful investments needed to address technological needs and supply chain issues. Both legislation vehicles authorize \$52 billion for semiconductor manufacturing in the U.S. and to address supply chain disruptions. Both create a “National Semiconductor Technology Center” to expand research and development in CHIP making.

### China

Both USICA and COMPETES could make U.S.-China cooperation on global issues like the climate crisis more challenging. USICA takes a more militaristic approach than COMPETES, for example, by “prioritizing the delivery of excess defense articles to Thailand, Indonesia, Vietnam, Malaysia, and Taiwan.” Delivering defense materials, including military support, risks increasing tensions with China. Both bills address the importance of defending human rights and strongly condemn human rights abuses that China is perpetrating in Xinjiang against Uyghur Muslims, as well as in Hong Kong.

### Trade

America COMPETES addresses trade to a greater degree than USICA, particularly via inclusion of the Trade Adjustment Assistance Modernization Act (TAA). The TAA enjoys the support of a number of labor groups including the AFL-CIO. This marks a much clearer appeal to the concerns of labor around trade issues than is the case in USICA. Under COMPETES the TAA establishes a childcare allowance and funding for community colleges.